<u>Speech to Airport Operators</u> Association, November 2020

Good morning everyone.

It's a pleasure to join you today (9 November 2020).

Thanks to the Airport Operators' Association for inviting me to take part.

Though I wish it were at a happier time.

It is precisely 8 months — to the day — since we gathered for the AOA annual dinner.

It was a memorable night.

Over 800 guests packed in to the Grosvenor House Ballroom, one of London's most spectacular venues.

Celebrating another record-breaking year for UK airports.

However, in hindsight, that dinner has taken on greater significance.

It was the last time the airport industry was able to gather on such a scale.

The last time many of you were able to interact and socialise with colleagues.

The last time things were 'normal', before all our lives changed so dramatically.

Just a week after that dinner, we were in lockdown.

Looking back to the speeches that evening, of course we all knew the threat posed by the virus was extremely serious.

And unlike anything aviation had faced before.

Yet the industry's experience since then, as 2020 has unfolded, has been far more devastating than anyone could have imagined at the beginning of March (2020).

Without doubt the toughest ever year for commercial aviation.

And it's a matter of immense regret that last week we had to tighten restrictions once again to stem the spread of this wretched virus.

I know this was another dire blow for aviation.

To support businesses, the <u>Chancellor last week extended the furlough scheme</u> until March (2021).

And the government will be ready to talk to firms who are most acutely affected.

But of course, we're not alone in taking tougher action.

One thing we've always known about Covid is that it's no respecter of borders.

That's why virtually every nation around us is currently in some form of lockdown.

Many airports across Europe closed or operating a skeleton service.

We know that a new UK lockdown means more uncertainty, more worry, and more hard times for aviation.

But if we'd failed to act last week, with the virus spreading so fast, the prospects for this industry, and many others, would have been even bleaker.

<u>Events over the weekend affecting passengers and freight coming from Denmark where the virus has mutated into mink and back into humans again</u> demonstrated the need for vigilance.

And the need for us to work together so we can act quickly and decisively.

Let me make it clear.

The safe and sustainable return of international air travel depends on us getting infections under control.

A view shared by almost every nation. every chief medical officer and scientific expert

But, as we enter perhaps the darkest hour for aviation, I do see hope.

A new recovery

We've learned a lot over those 8 months.

We're much better informed than we were last spring.

We know far more about the virus, how it spreads, and what we need to do to keep it at bay.

We know more about protecting the health of passengers and staff at airports.

And more about patterns of infection around the UK, and internationally.

Which has, for example, allowed us to start including islands as a subnational approach to the travel corridor list.

The Foreign, Commonwealth and Development Office continues to update Covid advice to passengers.

Which now references the relevant domestic guidance on travel within the United Kingdom, together with developing risks in other countries and regions.

This more bespoke route called for by the travel sector will help British nationals make more informed decisions about journeys.

And — of course — we know a lot more about testing now.

With daily NHS capacity having reached more than half a million people a day by the end of October (2020).

And through the new Global Travel Taskforce.

Which I co-chair with the Health Secretary.

I want you to know that we've been making good progress on a 'test to release' programme to launch once we're out of lockdown.

This will consist of a single test for arrivals into the UK, provided by the private sector and at the cost of the passenger.

Allowing a much reduced period of self isolation.

Beyond the lockdown, this should encourage many more people to book flights with confidence knowing there is an option that allows them to shorten self isolation.

We have been working extensively with health experts and the private testing sector on the practicalities of the new regime.

For example, making sure that it doesn't impact on NHS capacity.

We will report to the Prime Minister very soon, with recommendations how we can support the recovery of international tourism and travel and increase consumer confidence.

In addition to this arrivals regime, we are working with partner countries to consider self-isolation and testing options that could be performed before departure.

I know it's been confusing for passengers trying to understand different testing regimes for each nation.

So we are leading international work to develop a framework for international travel to provide global consistency.

An accepted international standard if you like.

The type of lateral flow tests currently being trialled in Liverpool also give hope for optimism.

This is a highly accurate swab test that gives results in less than an hour, and doesn't need to go to a lab.

Ultimately, it could open the way for non-quarantined air travel.

The primary solution to the aviation crisis is getting passengers flying safely again.

Ultimately, through the development of an effective vaccine.

But before that, through effective testing.

And we will consider all options that can help aviation recover safely.

Supporting industry

These measures will build on the help we've already provided this year.

Furlough support for 55,000 aviation employees.

This alone worth £1 billion to £2 billion to the sector.

Then there have been loans and tax deferrals.

And £1.8 billion to the industry through <u>Covid Corporate Financing</u>.

In fact this accounts for 11% of total national funding under the programme across our entire economy — just to aviation.

We have stepped up to strengthen protection for consumers too.

By backing the ATOL protection scheme.

And we took action on flight slots earlier in the year.

So airlines didn't have to operate empty flights to hold on to valuable slots.

Regional connectivity

Inevitably most of the focus has been on international aviation.

But I also want to stress the government's determination to boost domestic connectivity as we rebound from Covid.

Back in May, we invested £5.7 million to safeguard flights from London to Belfast and Derry airports in Northern Ireland.

Regional flights are going to be even more important in the months ahead as we seek to repair and reconnect our economy.

Binding every part of the union together.

And linking regional airports with global hubs.

That's why we're continuing to work on our Regional Air Connectivity Review.

To ensure it reflects the changing nature of the industry.

And I particularly welcome your engagement through the Expert Steering Group and bilaterial discussions.

Longer term

It's crucial we rebuild for the longer term too.

It's hard to appreciate right now but the prospects for aviation in the long term are very positive indeed.

We just need to get through this.

Not only will there be significant pent-up demand for air travel once Covid's fully under control.

But this is a unique sector where we know that the market's going to continue growing over the coming years and decades.

And with the UK industry now showing real leadership on decarbonising flights, and tackling noise and pollution.

It will earn the right to grow.

By becoming part of the solution to climate change, rather than part of the problem.

This crucial work has continued this year with the <u>Jet Zero Council</u>, launched by myself, the Business Secretary and the Prime Minister uniting industry and government to deliver a greener, brighter future for UK aviation.

So while it's impossible to overstate the seriousness of the current Covid crisis.

Aviation will recover.

And when it does, it will be a more resilient industry.

With new technology making it cleaner.

And therefore primed to meet the needs of the years ahead.

Brexit

Alongside Covid work, we are also working hard on negotiations with the EU as we approach the end of the transition period.

You may have voted for Brexit, or voted Remain like me, but we need to ensure that what's on the table does not cross the UK's fundamental principles, as set out in our approach document.

As of today, significant differences remain between the UK and European

Union.

But we are keen to try and bridge them in intensive talks.

We approach negotiations determined to get a deal if there is one possible.

But although the outcome remains far from certain, we are committed to ensuring that flights are able to operate safely and punctually between the UK and EU regardless of how the negotiations conclude.

And, thanks to existing international agreements, this will happen.

So let me finish with a couple of important observations.

First, at a time like this, it's more vital than ever that we continue to work together.

Over the past month, I've attended 5 different aviation audiences.

On technology.

Decarbonisation.

Tourism and travel.

Airlines.

And today, airport operators.

They not only provide an opportunity for me to update the industry on the latest developments in government.

But we also try and ensure that as many DfT officials as possible take part in discussions and listen in.

And finally.

I want to thank every single airport across the UK for what you've done this year.

The way you've responded to the crisis has been extraordinary.

Maintaining essential movement of goods and freight.

Providing a safe environment for customers and staff.

Doing your utmost to protect jobs.

Calmly and professionally adapting to hugely difficult circumstances.

You are incredibly important.

And the next few weeks are incredibly important too, to regaining control of infections, and reversing the spread of the virus.

And of course implementing test and relsease to shorten quarantine.

So once we emerge from the lockdown, we can roll out new systems to help people travel again.

Giving passengers confidence to book flights in safety.

And thereby getting aviation back on its feet once again and back in the air for good.

Thank you.